

AMENDED IN SENATE MARCH 22, 2000  
AMENDED IN ASSEMBLY MAY 28, 1999  
AMENDED IN ASSEMBLY APRIL 15, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

## ASSEMBLY BILL

No. 43

Introduced by Assembly Member Villaraigosa, ~~Cedillo, and~~  
~~Gallegos~~  
(Principal coauthors: Assembly Members Firebaugh and  
~~Wildman~~)

December 7, 1998

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~~An act to amend Sections 12693.70, 12693.71, 12693.72, and 12693.73 of, to add Sections 12693.705 and 12693.745 to, to repeal and add Section 12693.74 of, the Insurance Code, relating to health care. An act to add Section 6380.8 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

### LEGISLATIVE COUNSEL'S DIGEST

AB 43, as amended, Villaraigosa. ~~Children: Healthy Families Program: eligibility~~ Sales and use taxes: exemptions: gasoline and diesel fuel.

*The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property. That law provides various exemptions from that tax.*

*This bill would exempt motor vehicle and diesel fuel from those taxes imposed at the 5% state rate from June 1, 2000, through September 30, 2000.*

*This bill would provide that the Public Transportation Account of the State Transportation Fund shall be reimbursed in the annual budget act from the General Fund for any sales and use tax revenues lost by it under this act.*

*This bill would take effect immediately as a tax levy.*

~~Existing law establishes the Healthy Families Program to arrange for the provision of health, dental, and vision services to eligible children pursuant to Title XXI of the Social Security Act, the State Children's Health Insurance Program. Under existing law, in order to be eligible, an applicant must be applying on behalf of a child, who meets certain requirements, including being in a family having a gross annual household income equal to or less than 200% of the federal poverty level, and meeting the citizenship and immigration status requirements established by federal law. Under existing law the program is administered by the Managed Risk Medical Insurance Board. Under existing law, the level of health benefits for program subscribers is required to be equivalent to those provided to state employees through the Public Employee's Retirement System as of January 1, 1998, except as specified.~~

~~This bill would require eligibility to be determined based on the minimum requirement and maximum flexibility permitted under Title XIX and Title XXI of the Social Security Act.~~

~~The bill would require, to the extent consistent with federal law, that eligibility not be based on family assets and resources, or hours worked, or failure to apply in person, or lack of documentation, or date of entry into the United States, or more than an annual redetermination process.~~

~~The bill would provide that a person who is otherwise eligible for participation shall not be denied eligibility based on the person's date of entry into the United States, and a person who is lawfully present in the United States who is otherwise eligible for participation shall be eligible for the program.~~

~~Existing law continuously appropriates money from the Healthy Families Fund for purposes of implementation of the Healthy Families Program.~~

~~This bill would provide that its provisions shall be inoperative in any fiscal year in which funds have not been specifically designated in the Budget Act for that fiscal year for implementation of this bill.~~

~~The bill would require the department or each county to determine eligibility under the Healthy Families Program, thus creating a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes no.~~

*The people of the State of California do enact as follows:*

- 1    ~~SECTION 1. — Section 12693.70 of the Insurance Code~~
- 2    *SECTION 1. It is the intent of the Legislature in*
- 3    *enacting this act to do both of the following:*
- 4    *(a) Provide price relief to consumers from the recent*
- 5    *substantial increases in fuel prices.*
- 6    *(b) Prevent gasoline and diesel refiners, distributors,*
- 7    *or retailers from failing to pass on to end-use consumers,*
- 8    *the savings from the suspension of the sales and use tax on*
- 9    *gasoline and diesel fuels provided by this act.*
- 10    *SEC. 2. Section 6380.8 is added to the Revenue and*
- 11    *Taxation Code, to read:*
- 12    *6380.8. There are exempted from the taxes imposed*
- 13    *by this part at the 5-percent rate for General Fund*
- 14    *purposes, the gross receipts from the sale in this state of,*



1 *and the storage, use, or other consumption in this state of,*  
2 *motor vehicle fuel, as defined by Section 7304, and diesel*  
3 *fuel, as defined by Section 60022, on and after June 1, 2000,*  
4 *and to and including September 30, 2000.*

5 *SEC. 3. The Public Transportation Account of the*  
6 *State Transportation Fund shall be reimbursed in the*  
7 *annual Budget Act from the General Fund for any sales*  
8 *and use tax revenues lost by it under this act.*

9 *SEC. 4. This act provides for a tax levy within the*  
10 *meaning of Article IV of the Constitution and shall go into*  
11 *immediate effect.*

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**All matter omitted in this version of the  
bill appears in the bill as amended in the  
Assembly, May 28, 1999 (JR 11)**

